

# ATTACHMENT ONE: NON-PROFIT CHECKLIST/CHDO DESIGNATION

## PART I: ATTACHMENT CHECKLIST FOR ALL NON-PROFITS AND CHDOS

1. Legal Name of Organization: \_\_\_\_\_
2. IRS Tax Exempt Number: \_\_\_\_\_
3. ☐ A current Certificate of Existence from the Secretary of State's office. The certificate must be purchased from the Secretary of State's office and must be dated within the last 12 months (from 3/17/2006 to 3/16/2007).
4. ☐ Copy of 501(c)(3) certificate or letter from IRS.
5. ☐ Copy of Charter, By-laws and resolutions.
6. ☐ List of Board members including names, home address, race, sex, occupation, a description of their primary contribution, length of service, income range, and date the term of service expires. (Part V of Application). Low income Board members or representatives must be identified to qualify as a CHDO.
7. ☐ One page explanation of how the Board of Directors is involved in the operation of the agency, including how often the Board meets, how the Board monitors and provides oversight for the agency's programs.  
  
Attach the minutes of the most recent Board meeting.  
  
Attach explanation of the formal process by which low income Board members advise the organization in all of its decisions regarding the design, site choice, development, and management of all HOME-assisted affordable housing projects.
8. ☐ List of staff members employed by the organization, including how many are full-time or part-time, their specific responsibilities related to housing programs, and how many years experience each staff member has in housing.
9. ☐ Business plan or strategic management plan that demonstrates the agency's short term and long term goals, objectives, and plans to achieve them.
10. ☐ Documentation of operating funds from other sources, including how much annually and from what sources.
11. ☐ Explanation of any other programs, other than the proposed HOME program, operated by the organization, including the program(s) and its funding source(s).
12. ☐ One page explanation of your agency's experience in housing, particularly in providing housing to low and very low income households.
13. ☐ Attachment Eleven: Individual Disclosure Forms completed by the organization's Executive Director, Chairman of the Board and any staff directly involved with decision making for the project.
14. ☐ Attachment Twelve: Corporate Disclosure Form signed by the Chairman of the Board or Executive Director on behalf of the organization

## PART II: CHDO CHECKLIST AND DESIGNATION

This form is to be completed by the General Counsel for your organization and returned to THDA only by non-profit organizations requesting designation as a Community Housing Development Organization (CHDO) for the HOME program. The information contained in this checklist refers to the definition of Community Housing Development Organizations (CHDOs) in Subpart A, Section 92.2 of the HOME Final Rule.

- A CHDO MUST:**
1. Be a developer, a sponsor or owner of HOME-assisted housing;
  2. Have effective management control of a project; and
  3. Be organized and structured according to the standards provided in the HOME Final Rule.

### A. LEGAL STATUS

1. The nonprofit organization is organized under Tennessee law, as evidenced by:  
☐ A Charter, OR  
☐ Articles of Incorporation AND  
☐ Certificate of Existence from Tennessee Secretary of State.
2. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:  
☐ A Charter, OR  
☐ Articles of Incorporation.
3. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986, as evidenced by:  
☐ A 501(c)(3) Certificate from the IRS.
4. Has among its purposes the provision of decent housing that is affordable to low-and moderate-income people, as evidenced by a statement in the organization's:  
☐ Charter,  
☐ Articles of Incorporation,  
☐ By-laws, OR  
☐ Resolutions.

## **B. ORGANIZATIONAL STRUCTURE**

1. Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the organization's:

- ☐ By-Laws,
- ☐ Charter, OR
- ☐ Articles of Incorporation.

2. Low-income representation on the governing board is by:

- ☐ Residents of low income neighborhoods.
- ☐ Elected representation of low-income neighborhood organizations.
- ☐ Other low-income community residents.

Under the HOME program, for urban areas, the term, "community", is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole state).

3. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by:

- ☐ The organization's By-laws,
- ☐ Resolutions, OR
- ☐ A written statement of operating procedures approved by the governing body.

4. A CHDO may be chartered by a State or local government; however, the State or local government may not have the right to appoint: (1) more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials, as evidenced by the organization's:

- ☐ By-laws,
- ☐ Charter, OR
- ☐ Articles of Incorporation.

5. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not have the right to appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's:

- ☐ By-laws,  
☐ Charter, OR  
☐ Articles of Incorporation.

**C. RELATIONSHIP WITH FOR-PROFIT ENTITIES**

1. The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by:

- ☐ The organization's By-laws, OR  
☐ A Memorandum of Understanding (MOU).

2. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm, as evidenced by:

- ☐ The for-profit organization's By-laws and history

**D. CAPACITY**

1. Has standards of financial accountability that conforms to 24 CFR 84.21 "Standards for Financial Management Systems", as evidenced by:

- ☐ A certification from a Certified Public Accountant OR  
☐ A HUD approved audit summary.

2. Has a demonstrated capacity for carrying out activities assisted with HOME funds.

3. Has generally a one year history of serving the community where housing to be assisted with HOME funds will be utilized.

I attest that to the best of my knowledge the above information is true and correct and that this information is supported by appropriate documentation in the organization's files.

Signature: \_\_\_\_\_

Typed Name: \_\_\_\_\_

General Counsel for \_\_\_\_\_

Date: \_\_\_\_\_